

A RESOLUTION

04- R-0637

BY TRANSPORTATION COMMITTEE

A RESOLUTION AUTHORIZING THE MAYOR OR HER DESIGNEE TO EXECUTE AN AMENDMENT NO. 1 TO THE LEASE AGREEMENT FOR AIRCRAFT MAINTENANCE HANGAR FACILITY WITH AIRTRAN AIRWAYS, INC. TO PROVIDE FOR CONSTRUCTION OPERATION AND MAINTENANCE OF AN AIRCRAFT MAINTENANCE HANGAR FACILITY ON TRACT 6A AT HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT, SO AS TO INCREASE THE MAXIMUM AMOUNT OF CONSTRUCTION REIMBURSEMENT FROM \$14.5 MILLION TO \$17.0 MILLION, AN INCREASED AMOUNT OF \$2.5 MILLION TO BE CHARGED TO AND PAID FROM FUND ACCOUNT CENTER 2H21 573001 R21E05079999 (RENEWAL AND EXTENSION FUND); AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta ("City") owns and operates the Hartsfield-Jackson Atlanta International Airport ("Airport") upon which there exists certain lands and facilities for the lease and use by airlines and other aeronautical users; and

WHEREAS, the City and AirTran Airways, Inc., ("AirTran") are parties to a Lease Agreement for Aircraft Maintenance Hangar Facility at Hartsfield-Jackson Atlanta International Airport - Tract 6A ("Lease Agreement"), dated January 31, 2003, covering the construction, establishment and occupancy of an Aircraft Maintenance Hangar Facility, as authorized by Resolution No. 02-R-1493 adopted September 3, 2002, and approved on September 11, 2002, which among other things, provides for the reimbursement of construction by the City to AirTran in an amount not to exceed \$14.5 million; and

WHEREAS, costs associated with the design and construction of the Aircraft Maintenance Hangar Facility will exceed the approved maximum amount to be reimbursed by \$2.5 million; and

WHEREAS, it is in the best interest of the City to amend the Lease Agreement to approve for a reimbursement of the additional design and construction amount.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA that the Mayor or her designee be and hereby is authorized to execute on behalf of the City of Atlanta an Amendment No. 1 to the Lease Agreement for Aircraft Maintenance Hangar Facility with AirTran Airways, Inc., covering the construction, establishment and occupancy of an Aircraft Maintenance Hangar Facility at Hartsfield-Jackson Atlanta International Airport, which amendment shall provide for an increase in the maximum amount of construction reimbursement from \$14.5 million to an amount not to exceed \$17.0 million, an increased amount of \$2.5 million to be paid from Fund Account Center No. 2H21 573001 R21E05079999 (Renewal and Extension Fund).

BE IT FURTHER RESOLVED, the rental for the use by AirTran of the Hangar will be increased to reflect the incremental investment to be made by the City to reflect the full recovery of the investment made at the rate and term specified in the Lease Agreement.

BE IT FURTHER RESOLVED that the City Attorney be and hereby is directed to prepare said Amendment No. 1 for execution by the Mayor.

BE IT FINALLY RESOLVED that said Amendment No. 1 shall not become binding upon the City, and the City shall incur no obligation or liability thereunder until same has been signed by the Mayor and delivered to AirTran.